

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7796

BILL NUMBER: HB 1600

DATE PREPARED: Apr 2, 2001

BILL AMENDED: Apr 2, 2001

SUBJECT: CPR Training; McCray Hospital Pension Account.

FISCAL ANALYST: David Hoppmann; James Sperlik

PHONE NUMBER: 232-9559; 232-9866

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: (Amended) *Health and Physical Fitness*- This bill requires a program in health and physical fitness for children in kindergarten through grade 12 established by the Department of Education (the Department) to include Cardiopulmonary Resuscitation (CPR) training using a program approved by the American Heart Association or other nationally recognized training program.

McCray Hospital Pension Account- It directs the Board of Trustees of the Public Employees' Retirement Fund (PERF) to transfer the entire value of the assets in PERF attributed to a county-funded hospital that is sold to a private entity to the fund account of the county where the hospital is located, and to add the transferred amount to the county's fund account. It provides that the county assumes all of the assets and liabilities attributable to the hospital's account, except for any liability for employer contributions that arose before January 1, 2000. It cancels the liability of the hospital for employer contributions that remain unpaid on July 1, 2001.

Effective Date: (Amended) July 1, 2001.

Explanation of State Expenditures: (Revised) *Health and Physical Fitness*- The Department of Education could experience a minimal increase in administrative expenses regarding the refinement of its standards guide for health education. (The standards guide is currently being developed in order to replace the Department's latest proficiency guide for health education.)

McCray Hospital Pension Account: These provisions include the transfer of the fund account of McCray hospital that is sold to a private entity to the fund account of the county that funded the hospital and to add the transferred amount to the county's fund account; provision that the county assumes all of the assets and liabilities attributable to the hospital's account, except for any liability for employer contributions that arose before January 1, 2000; and the cancellation of the liability of the hospital for employer contributions that remain unpaid on July 1, 2001.

A city-county-owned operation and a member of the PERF, McCray Hospital overpaid PERF an estimated \$5 M in contributions. (The hospital has now been sold to Parkview Hospital.) McCray Hospital stopped making about \$1 M in further payments to PERF. PERF has not refunded the \$5 M and continues to pursue the \$1 M. There are on-going discussions between the parties on this issue. This bill requires PERF to credit the \$5 M to the Noble County PERF account. In addition, the bill would preclude PERF from pursuing the \$1 M.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) *Health and Physical Fitness*- School corporations could experience an increase in administrative expenses due to integrating CPR training into their high school curricula. Actual costs are currently indeterminable, would vary between school corporations, and would depend upon local action.

Since school corporations would not be required to provide CPR training that leads to certification, costs would be significantly less than those associated with traditional certification classes. (It is likely that school corporations would opt to conduct training that does not lead to certification for this reason.) However, this bill would not prohibit a school corporation from contracting with public or private entities, certified by national organizations such as the American Heart Association or the American Red Cross, to provide traditional CPR certification training.

School corporations could utilize several sources to conduct non-traditional CPR training including, but not limited to, the following: 1) school corporation teachers (certified and non-certified in CPR); 2) videos; 3) pamphlets; and 4) peer teaching.

Background- Under current administrative rule (511 IAC 6.1-5-4), Indiana's approximately 400 high schools are required to refer to the Department's proficiency guides in order to maintain instructional programs that provide students with opportunities to acquire minimum proficiencies in courses in which they enroll. The demonstration of CPR procedures is currently included in the proficiency guide for health education. (The Department reports that, typically, students are exposed to health instruction during the ninth grade.)

Currently, there are approximately 120 American Heart Association training centers in the State of Indiana with the possibility of multiple training sites within each center. In addition, there are 47 chapters of the American Red Cross with approximately 9,500 full- and part-time instructors. (During FY 2000, the American Red Cross, through its 47 Indiana chapters, conducted first aid and CPR courses for approximately 320,000 individuals.)

Explanation of Local Revenues:

State Agencies Affected: Department of Education; Public Employees' Retirement Fund.

Local Agencies Affected: School Corporations; McCray Hospital.

Information Sources: Terry Spradlin, Department of Education (317) 232-6671; DOE SAS Data Sets; American Heart Association; American Red Cross.